

STATE OF IOWA  
DEPARTMENT OF COMMERCE  
UTILITIES BOARD

IN RE:  U S WEST COMMUNICATIONS, INC., n/k/a QWEST CORPORATION	DOCKET NOS. INU-00-2 SPU-00-11
---	-----------------------------------

**CONDITIONAL STATEMENT REGARDING  
DATA RECONCILIATION OF PERFORMANCE MEASURES  
IN THE ROC OSS TEST**

(Issued June 6, 2002)

On February 10, 2000, the Utilities Board (Board) issued an order initiating an investigation relating to the possible future entry of U S WEST Communications, Inc., n/k/a Qwest Corporation (Qwest), into the interLATA market. The investigation was identified as Docket No. INU-00-2.

The Liberty Consulting Group (Liberty) was hired by the Regional Oversight Committee (ROC) to conduct an audit of Qwest's performance measures in the ROC test of Qwest's operational support system (OSS). Liberty filed a copy of its report with the Board on September 25, 2001.

Certain CLECs expressed concern about the accuracy of Qwest's reported performance results as the results related to service the CLECs were receiving. The ROC determined it would be advantageous to conduct a data reconciliation audit to test these concerns. As an extension of the audit conducted by Liberty of Qwest's performance measures, through the Change Request process, the ROC instructed

Liberty to conduct a "data validation to resolve any debates concerning the accuracy of performance data emanating from particular ROC Performance Indicator Definitions (PIDs)."

Three CLECs participated in the study, AT&T, WorldCom, and Covad. These CLECs, Qwest and Liberty, spent significant time and effort resolving the specific scope of the performance measures to be included in the data reconciliation. Liberty determined the appropriate objective of the reconciliation was to answer the following question:

Does any of the information provided by the participating CLECs demonstrate inaccuracy in Qwest's reporting of performance results under the measures defined in the Performance Indicator Definitions (PID)?

Qwest and the participating CLECs agreed to a scope for the data reconciliation, which included data from seven states: Arizona, Colorado, Nebraska, Washington, Oregon, Utah, and Minnesota. Liberty performed the reconciliation on a state-by-state basis and issued six primary reports. The reports were issued as follows:

- Arizona -- December 3, 2001
- Colorado -- January 3, 2002
- Nebraska -- January 28, 2002
- Washington -- March 2, 2002
- Oregon -- March 28, 2002
- Utah and Minnesota -- April 19, 2002

The performance measures included in the study were:

- PO-5 -- Firm Order Confirmations (FOCs) On Time
- OP-3 -- Installation Commitments Met

- OP-4 -- Installation Interval
- OP-6 -- Delayed Days
- OP-13 -- Coordinated Cuts on Time - Unbundled Loop
- OP-15 -- Interval for Pending Orders Delayed Past Due Date
- MR-6 -- Mean Time to Restore

Products included in the data reconciliation included line sharing, unbundled loops, and Local Interconnection Service (LIS) trunks. The scope of the audit did not include the entire matrix of the three CLECs nor all measures, states, and products. The timeframe for the reconciled data was the first half of 2001.

Liberty generally followed the process recommended by AT&T, as follows:

1. The CLEC identifies what it believes are discrepancies between performance results it has produced and the performance results that Qwest has produced. The CLEC should identify the particular performance measurement in question and the evidence that lead the CLEC to conclude that a discrepancy exists.
2. The auditor takes the CLEC's information and confirms the existence of the discrepancy.
3. After confirming the discrepancy, the auditor determines and identifies the source of the discrepancy.
4. If the source of the discrepancy is the CLEC, the auditor will share its findings at a high level with the Technical Advisory Group (TAG). The specific details of the discrepancy shall be shared by the auditor privately with the specific CLEC.
5. If the source of the discrepancy is Qwest and that discrepancy points to some problem with Qwest's raw data, the auditor shall create an Exception/Observation per the Exception and Observation process used in the ROC OSS test. In the Exception/Observation, the auditor will make recommendations as to whether the identified deficiency is likely to affect multiple services and/or multiple CLECs. The auditor will also identify what it believes is the period of time that Qwest may have been producing questionable performance results.

6. After the Exception/Observation has been created, it should follow the normal process for closure as would any other Exception or Observation.

Liberty noted in its report that the CLECs did not always clearly identify the discrepancies or the evidence upon which they based their concerns and requested additional information and clarifications from the CLECs. However, the bulk of the information used in the reconciliation came from Qwest.

During its audit, Liberty issued 1 Exception and 13 Observations based on its review. All 14 discrepancies have been addressed to the satisfaction of Liberty and the final resolution was to close each exception and observation.

A brief synopsis of Liberty's findings from each state's reconciliation follows:

Arizona -- The initial review highlighted the differences in the operational definitions the CLECs and Qwest had for many processes. This resulted in many divergent interpretations of the performance measures.

Colorado -- Several process errors were documented. Retail line-sharing orders were reported as wholesale orders, orders were repeated in consecutive months because of different completion codes, orders were not reported because the CLEC designation was "unknown," and excluded records due to no state code. Human errors were also noted. The Missed Function Code applied to an order was sometimes in error as well as inappropriate completion dates.

Nebraska -- An additional process-type error regarding cancelled orders to be included in calculations was discovered. This problem was specific to the eastern region, of which Iowa is part. In addition, a programming anomaly affecting the results for PO-5 for the month of June 2001 was noted. Certain orders for multiple loops were being omitted from the calculation.

Washington -- Most of the problems were previously documented. New errors were found in certain orders being improperly excluded from the OP measures re-termination orders and included orders in OP-15 when it should not when the CLEC caused the delay.

Oregon -- Liberty found some additional problems with Qwest's performance reporting regarding unbundled loop orders. In particular, the stop times for coordinated cuts used in the calculation of OP-13 were sometimes improperly recorded. Some orders were improperly omitted in calculating OP-15A. Finally, incorrect completion dates and assigned customer miss codes were discovered.

Utah and Minnesota -- No new issues were discovered.

Liberty found that the CLECs captured data and accounted for information related to Qwest's wholesale performance measures differently from Qwest. Liberty concluded the CLECs recorded data in ways that best suited their own operational and management needs. There were instances where the CLEC did not have the systems required to track performance measure results at the level of detail required of Qwest, in addition to the constraint of not having personnel familiar with Qwest's systems.

Qwest was already aware of some of the problems reported by Liberty. In those instances, the reconciliation process documented the resolution and made them known to interested parties. The process-type errors had solutions available through computer programming or revised data collection methods. The human errors were deemed to be correctable through the use of new job tools, revised methods and checks, and additional training. Liberty concluded that these human errors were not at such a level as to adversely impact the performance reports.

Liberty did not detect any evidence that Qwest was attempting to manipulate data. Liberty concluded that Qwest's performance reporting was accurately and reliably reporting its actual performance.

The reconciliation process was a long and arduous undertaking by all parties and appears to have resulted in all parties being assured that Qwest's performance reporting is accurate and reliable. The process involved the ROC Technical Advisory Group (TAG) reviewing the exception and observations Liberty filed relating to the data reconciliation audit, and noting the changes Qwest implemented, before accepting Liberty's recommendation to close all of these matters.

The parties agreed to a sampling of various services in certain states where the CLECs noted major discrepancies between their data and that being reported by Qwest. Iowa was not one of the states discussed by the CLECs as having major concerns. However, the reconciliation process covered two fellow states of Qwest's eastern region, Minnesota and Nebraska. As Liberty's reports show, certain problems peculiar to the eastern region were uncovered in the Nebraska reconciliation. No new problems were encountered when Minnesota data was reviewed. All of these problems have been corrected or resolved. Thus, it is unlikely there would be a problem inherent only to Iowa that would be discovered through a data reconciliation of only Iowa data.

The data reconciliation audits, and conclusions reached by Liberty for the seven states, appear to be adequate to ensure the accuracy of Qwest's reported performance results as they relate to service received by CLECs. The Board will

accept the reports filed by Liberty in this docket as adequate without requiring a separate data reconciliation of Iowa data.

**IT IS THEREFORE ORDERED:**

Any responses to this statement and all future filings and Board orders or statements in this docket must be filed no later than close of business on the third business day following the filing or issuance.

**UTILITIES BOARD**

/s/ Diane Munns

/s/ Mark O. Lambert

ATTEST:

/s/ Sharon Mayer  
Executive Secretary, Assistant to

/s/ Elliott Smith

Dated at Des Moines, Iowa, this 6<sup>th</sup> day of June, 2002.